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Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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July 15, 2013

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To: Supervisor Mark Ridley-Thomas, Chairman
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From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name of the Chief Executive Officer.

MOTION TO URGE THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES TO SEEK FEDERAL APPROVAL TO ALLOW LOW INCOME HEALTH PROGRAMS (LIHPs) TO SUSPEND REDETERMINATIONS FOR SPECIFIC ENROLLEES AND DIRECT THE CHIEF EXECUTIVE OFFICER AND THE COUNTY'S LEGISLATIVE ADVOCATES TO TRANSMIT A LETTER STATING THE BOARD'S SUPPORT FOR SUSPENDING REDETERMINATIONS FOR PARTICIPANTS IN LIHP TRANSITIONING TO MEDI-CAL (ITEM NO. 40-B, SUPPLEMENTAL AGENDA OF JULY 16, 2013)

Item No. 40-B on the July 16, 2013 Supplemental Agenda is a motion by Supervisor Ridley-Thomas requesting that the Board of Supervisors urge the California Department of Health Care Services to seek approval from the Secretary of the U.S. Department of Health and Human Services to allow Low Income Health Programs (LIHPs) to suspend redeterminations for enrollees with annual renewal dates in October, November and December 2013, as these individuals would remain continuously enrolled in the LIHPs through December 2013; and direct the Chief Executive Officer and the County's Legislative advocates in Sacramento to transmit a letter stating the Boards' support for the California Department of Health Care Services to implement Welfare and Institutions Code Section 14005.61(h) suspending redeterminations for participants in LIHP transitioning to Medi-Cal.

"To Enrich Lives Through Effective And Caring Service"

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Background

The Federal Affordable Care Act (ACA) gives states the option to expand Medicaid eligibility for persons under age 65 with household incomes at or below 133 percent of the Federal Poverty Level effective January 1, 2014. Under the expansion, Medicaid eligibility will be reimbursed at a 100 percent Federal match rate from 2014 through 2016, phasing down to a 90 percent Federal match by 2020. States will be responsible for the 10 percent match thereafter. In preparation for the ACA and the Medicaid expansion, California's 1115 Medicaid Waiver, Bridge to Reform, includes provisions to enroll qualified persons into Low Income Health Programs which provides comprehensive health services at a 50 percent Federal match. Under the 1115 Waiver, persons enrolled in the LIHP are required to re-enroll in the program annually.

County-supported ABX1 1 (Chapter 3, Statutes of 2013), signed by the Governor on June 27, 2013, enacts the expansion of California's Medicaid Program known as Medi-Cal. Under ABX1 1, persons enrolled in the LIHP as of December 31, 2013 will be transitioned directly to the Medi-Cal Program, pursuant to Federal approval, as provided in the Bridge to Reform. The bill allows the Director of California Department of Health Care Services (CDHCS), with Federal approval, to suspend, delay or otherwise modify the redetermination requirement for LIHP enrollees to facilitate the process of transitioning LIHP enrollees to Medi-Cal. In addition, ABX1 1 specifies that county LIHPs and their designees shall work with the CDHCS and its designees to facilitate continuity of care and data sharing for the purposes of delivering Medi-Cal services to LIHP enrollees in 2014. The bill also provides that enrollees would remain with their current primary care provider when they transition to the Medi-Cal Program.

A number of Statewide organizations including: the California State Association of Counties; California Association of Public Hospitals; County Welfare Directors; California Primary Care Association; Western Center on Law and Poverty; Dr. Mitch Katz; and the health directors of Contra Costa, Santa Clara, and the City and County of San Francisco, sent a letter to Toby Douglas, Director of the California Department of Health Care Services, requesting that the State seek Federal approval to suspend LIHP redeterminations for the months of October, November and December 2013. In the letter, these organizations note that the suspension would facilitate the transition of LIHP enrollees to the Medi-Cal Program.

County Impact

The Department of Health Services (DHS) indicates that currently over 2.2 million people in the County are uninsured. According to DHS, approximately half of these individuals will be eligible for Medi-Cal benefits, which includes many of the

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approximately 246,000 LIHP participants. DHS also notes that it has heavily invested in enrollment LIHP-eligible persons into Healthy Way LA; however, many of the estimated 44,000 LIHP enrollees with redeterminations due from October through December 2013 could lose eligibility to LIHP and, therefore, may lose eligibility to Medi-Cal effective January 1, 2014.

The Department of Health Services indicates that suspending redeterminations for LIHP enrollees beginning October 2013 would help facilitate the transition of LIHP enrollees to Medi-Cal, minimize the disruption of health care services and help avoid confusion of LIHP enrollees who will also be receiving multiple notices regarding enrollment in the Medi-Cal Program from the State. This suspension will allow DHS and its partner County departments to focus on successful implementation of health care reform and the transfer of current LIHP enrollees to Medi-Cal on January 1, 2014, with a 100 percent Federal match reimbursement.

Conclusion

Support for this motion is consistent with existing Board policies to: **1) support proposals that simplify the health coverage and renewal processes to administer and facilitate use and access for clients; 2) support proposals that incorporate the Low-Income Health Plans created under the 2010 California Medicaid waiver into the new delivery systems created under the ACA; and 3) support proposals to ensure the coverage expansion includes mechanisms that protect existing patient-provider relationships from unnecessary disruption and ensure continuity of care.** Approval of the motion is also consistent with the County's support of ABX1 1.

We will continue to keep you advised.

WTF:RA
MR:VE:ma

c: Executive Office, Board of Supervisors
County Counsel